



2020 NACHA Rule Changes

As part of our commitment to keep our Automated Clearing House (ACH) origination customers informed of changes regarding ACH electronic payments, we are providing the following summary of the 2020 Rule Changes by NACHA:

1. Same Day ACH Dollar Limit Increase, Effective March 20, 2020
2. Differentiating Unauthorized Return Reasons – Phase 1, Effective April 1, 2020
3. Supplementing Data Security, Effective June 30, 2020

This is only a summary and not intended to replace a detailed analysis your organization should perform to determine the specific impact these changes may have on your ACH origination processes.

For a complete list and description of the amendments and rule changes, visit www.NACHA.org.



Member FDIC

2020 NACHA Rule Changes

1. Same Day ACH Dollar Limit Increase, Effective March 20, 2020

Same Day ACH Dollar Limit Increase – This Rule increases the Same Day ACH transaction dollar limit from \$25,000 to \$100,000. Same Day ACH credits and Same Day ACH debits are eligible for the \$100,000 transaction limit.

2. Differentiating Unauthorized Return Reasons – Phase 1, Effective April 1, 2020

Differentiating Unauthorized Return Reasons – Phase 1 – Return Reason Code R11 will be re-purposed to be used for the return of a debit in which there is an error, but for which there is an authorization. The R11 description will be “Customer Advises Entry Not In Accordance with the Terms of the Authorization”. Return Reason Code R10 will continue to be used when a consumer claims he or she does not know the Originator, does not have a relationship with the Originator, or did not give authorization for the entry. The R10 description will be “Customer Advises Originator is Not Known to the Receiver and/or Is Not Authorized by the Receiver to Debit Receiver’s Account”. The Originator may correct the underlying error of an R11 return, if possible, and originate a new Entry without being required to obtain a new authorization. The new Entry must be originated within 60 days of the Settlement Date of the R11 return . The R11 will have a 60 day return timeframe.

3. Supplementing Data Security , Effective June 30, 2020

Supplementing Data Security – Any Non-Consumer Originator, Third-Party Service Provider, or Third-Party Sender that originates 6 million or more ACH transactions in calendar year 2019 will need to be compliant by June 30, 2020. To the existing NACHA Rule Section 1.6 (Security Requirements), this Rule adds a sentence stating that each Non-Consumer Originator that is not a Participating Depository Financial Institution, each Third-Party Service Provider and Third-Party Sender, whose ACH Origination or Transmission volume exceeds 6 million transactions annually must, by June 30 of the following year, protect Depository Financial Institution Account Numbers used in the initiation of transactions by rendering them unreadable when stored electronically.